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USAID
FROM THE AMERICAN PEOPLE

WEST BANK AND GAZA

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FY 2009 FOREIGN ASSISTANCE GOALS

Promoting peace in the Middle East is an important strategic interest for the United States. Palestinian Authority (PA) President Mahmoud Abbas and Prime Minister Salam Fayyad have consistently affirmed their commitment to reach a peaceful resolution to the Israeli-Palestinian conflict through negotiations. Programs from the U.S. Agency for International Development (USAID) are aligned with the diplomatic efforts of the President, the Secretary of State, and Special Envoy for Middle East Peace, George Mitchell, to achieve a two-state solution and support the emergence of a viable, sustainable, and democratic Palestinian state that would exist side by side with Israel in peace and security. In FY 2009, United States Government (USG) assistance programs helped the PA make important strides in improving the effectiveness, transparency, and responsiveness of its institutions and gain public support for its efforts to achieve peace. In Gaza, U.S. programming was severely limited due to the effective administrative control of the area by Hamas, a designated Foreign Terrorist Organization, and the resulting Israeli security-related restrictions on the flow of goods into and out of Gaza.

HIGHLIGHTS BY PROGRAM OBJECTIVE

Peace and Security

The PA continues to develop security sector institutions to support state-building efforts and promote the rule of law. The PA also continues to take steps to strengthen oversight over financial institutions in order to enforce international anti-money-laundering regulations and to counter the financing of terrorism.

In FY 2009, the Bureau of International Narcotics and Law Enforcement Affairs, with the U.S. Security Coordinator, supported the training, equipping, and garrisoning of PA security forces, which contributed directly to the promotion of security across the West Bank. These programs have also strengthened the Ministry of Interior through mentoring and support for Ministry programs designed to improve capacity in management of human resources, training, logistics, finance, planning, and strategic communications. U.S. programs have continued to provide leadership training at various levels to a broad range of security forces, and to enhance the effectiveness of the

justice sector in the Jenin governorate through capacity-building with the public prosecution and police.

In addition, USAID programming established a Financial Follow-Up Unit within the Palestine Monetary Authority and USAID provided technical assistance to launch its operations, including: training of its staff; providing specialized software to track suspicious transactions; brokering a coordination strategy with other relevant agencies; and developing a regulatory framework for licensing and monitoring moneychangers.

Governing Justly and Democratically

In 2007, the PA developed the Palestinian Reform and Development Plan to modernize its institutions, enforce the rule of law, and promote transparent and effective governance over a three-year period; the United States committed substantial resources to support this effort. In FY 2009, USAID programs focused on building the capacity of the judiciary system, expanding local government decentralization initiatives of the PA, improving the capacity of ministries to provide services, and empowering local independent media to compete with larger media organizations supported by political groups. In FY 2009 U.S. assistance:

- Trained more than 1,000 judges and justice sector staff to build the capacity of judicial institutions, renovated and upgraded five courthouses, improved overall court administration systems, carried out public outreach campaigns to improve public understanding of the judiciary, and engaged four civil society organizations to promote rule of law awareness. As a result, public confidence in the judicial system increased and more people are resorting to courts to solve disputes – the Chief Justice reported an increase of 40 percent in case filings from 2007.
- Promoted decentralization of governance by empowering local government units and increasing citizen participation in public decision-making. More than 1,500 local government staff were trained in a variety of subjects aimed at improving their planning, management, and public engagement skills.
- Conducted participatory planning workshops with 29 local government units involving representatives from civil society and the general public. These workshops provided a platform for individuals to voice their priorities and set a replicable model for cooperation between citizens and their representatives, and leveraged more than \$5 million of cash and in-kind community resources to build needed service infrastructure.
- Improved citizen services at 6 ministries by training 570 government employees to improve staff capacity, developing standardized work procedures to ensure consistent application of regulations across all PA departments, and assisting the Ministry of Transportation to re-activate the Higher Council of Traffic and Safety to enforce laws to reduce traffic accidents and fatalities.
- Trained approximately 40 staff members of the Central Elections Commission to prepare for the next Presidential and parliamentary elections, provided Geographical Information Systems software and equipment to improve tracking of voter registrations, and provided training for media staff and journalists to improve their ability to cover electoral issues.
- Increased the capacity of 18 local independent media organizations to report objectively on local social and economic issues, and to provide space for monitoring and facilitating debates

on public performance and resource allocation. Partner media organizations received training for their staff, and equipment support to increase the number and quality of their productions. They formed a network of local TV and radio stations to share resources and reach a larger audience throughout the West Bank and the Gaza Strip. Eighty female journalists received training to increase the coverage of gender issues in the local media.

Investing in People

The PA's ability to provide essential public services to its people is a key requisite for improving living conditions in the West Bank and Gaza and gaining public support for institutional reform efforts. This effort, however, faces a number of challenges. The PA health care system is fragmented, with a large percentage of health services historically provided by non-governmental organizations (NGOs) that lack adequate resources. A large percentage of the population lacks adequate access to clean water. The PA requires additional capacity to provide adequate and quality education opportunities for a rapidly growing population, and to provide life and employment skills for a large percentage of the youth population that lacks social and economic opportunities. Since 2008, a number of USAID programs have been designed to address these challenges. In FY 2009, U.S. assistance:

- Provided \$350 million to help the PA meet urgent financial obligations to sustain needed social services to its citizens and proceed with its reform agenda.
- Provided technical assistance to the Ministry of Health (MOH) to design a five-year institutional development plan for its health facilities, together with 15 NGOs providing health services, and provided training to 350 MOH and NGO staff on a wide range of health management topics. As a result, the MOH made significant operational and regulatory improvements, including implementation of cost-effective and transparent procurement and personnel management systems; adoption of standards for minimum primary health care services; development of quality improvement tools; initiation of a process to set a national framework for standards, training, and certification of community health workers; and establishment of coordination with community committees to improve health services through community organizations.
- Provided essential diagnostic equipment for breast cancer screening and neonatal care for a specialized maternity hospital.
- Provided potable water to more than 68,000 people by rehabilitating and constructing new water networks throughout the West Bank.
- Improved sanitation conditions for more than 20,000 people by rehabilitating sewage and sanitation systems at schools, health clinics, and other public facilities.
- Improved access to education by rehabilitating and constructing 230 classrooms benefitting 9,330 students.
- Provided institutional support to improve the quality of education by establishing a network of 57 private and public schools to share best practices in teaching and school administration. Supported 31 faculty members from Palestinian universities to pursue doctorate degrees at U.S. universities to increase the future pool of expertise available for educational reform and development.

- Provided 123,000 employment days through infrastructure construction in critical areas such as education, roads, and water to demonstrate visible support of and provide essential services to Palestinians.
- Established four Youth Development and Resource Centers to provide vulnerable youth with livelihood opportunities, leadership training, civic engagement, sports, and cultural activities to increase their engagement in developing their communities.

Economic Growth

During this period, restrictions on economic activity, including movement and access within the West Bank and between West Bank and Israel began to be lifted. Restrictions on opportunities for trade and investment continued, however, especially in Gaza (due to Hamas's 2007 take-over of Gaza and the December 2008 - January 2009 Gaza conflict). Despite this, U.S. assistance:

- Improved the services and products of the financial sector through a range of training and technical assistance to financial institutions and PA regulatory agencies. As a result, financial institutions provided \$30 million in loans to more than 3,600 enterprises. These loans are estimated to have created and sustained more than 9,000 jobs.
- Provided technical assistance to 40 small and medium enterprises to develop business plans for expanding their operations and improve the potential of agribusiness to penetrate export markets. As a result, the Palestinian agribusinesses participating in the International Fancy Food Fair increased their actual exports by more than \$2.1 million.
- Supported increased trade flows between Israel and the West Bank, improved the capacity of Palestinian customs staff, facilitated coordination between Israeli and Palestinian officials to expedite security procedures, upgraded the a crossing for POVs, and improved scanning technology at commercial crossing points between the West Bank and Israel.
- Rehabilitated 64 kilometers of regional and internal roads connecting villages to larger population centers to provide safer travel and access to social and health services, and to facilitate the flow of goods to stimulate economic growth.
- Established a regional Cisco Academy at a Palestinian vocational education institution as part of a comprehensive USAID-funded initiative to upgrade the capacity of Palestinian vocational education institutions to provide students with skills needed for development of the private sector and increased employability of youth.
- Provided greenhouses for 100 farmers in the economically depressed Jenin area. As a result, production of vegetables for the local markets increased and farmers improved their annual family income by an average of \$1,000.
- Trained 300 software engineers on advanced software development tools in partnership with Google, Microsoft, and Intel corporations to promote new initiatives within the Palestinian information technology sector.
- Supported the tourism sector to explore new internal and international markets in cooperation with the Israeli tourism industry and international institutions engaged in religious tourism.

Humanitarian Assistance

The economic conditions and the conflict in Gaza necessitated the provision of humanitarian assistance for a vulnerable segment of the Palestinian population, which the PA was unable to serve without substantial external support. In FY 2009, U.S. assistance:

- Provided 15,500 metric tons of food aid to approximately 270,000 non-refugees in the West Bank and Gaza.
- Provided food, medical kits, clothing packages and school kits in humanitarian assistance to 722,000 people in Gaza affected by Israeli combat operations against Hamas during December 2008-January 2009.